Changes in the Electricity Acts

729. SHRI KHAGEN DAS: Will the Minister of POWER be pleased to state:

(a) whether Government have recieved suggestion from Confederation of Indian Industries for changes in the Electricity Acts for making private investment more attractive; and

(b) if so, whether government are going to consider the said suggestion?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir. Confederation of Indian Industry (CII) has made suggestions on changes in the Electricity (Supply) Act, 1948.

(b) The Ministry of Power had asked the National Council of Applied Economic Research (NCAER) as a consultant, to suggest legislative changes if considered necessary to accelerate the reform process. The suggestions made by CII were referred to the NCAER.

The NCAER has submitted a draft Electricity Bill to replace the existing three electricity laws (The Indian Electricity Act, 1910. The Electricity (Supply) Act, 1948 and The Electricity Regulatory Commissions Act, 1998). The draft Bill suggests corporatisation of all the State Electricity Boards and their restructuring into separate entities that would provide for accountability based on profit centres, whether public or private; and setting up of reinforcing the Regulatory Commissions on the lines of the Electricity Regulatory Commissions Act, 1998. It stresses the need for efficiency and competitions with the objective of providing reliable power supply to all consumers at competitive prices. It also provides for a clear delineation of roles and responsibilities.

In order to generate a national debate on the issue and to evolve a consensus on the draft Bill suggested by NCAER, its copies have been circulated to all concerned for their comments, suggestions and advice.

Fund for SEBS

730. SHRI KRISHNA KUMAR BIRLA: Will the Minister of POWER be pleased to state:

(a) whether Government propose to set up a special fund to enable the cash starved SEBs to undertake power transmission and distribution